

AMENDED IN ASSEMBLY APRIL 17, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1753**

**Introduced by Assembly Member Migden**

January 7, 2002

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~~An act to amend Section 11000 of, and to add Section 10754.3 to, the Revenue and Taxation Code, relating to taxation, and making an appropriation therefor. An act to add Chapter 20.5 (commencing with Section 22475) to Division 8 of the Business and Professions Code, relating to magazine distributors.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1753, as amended, Migden. ~~Vehicle license fees~~ *Magazine distributors.*

*Existing law provides for the regulation of various businesses and professions by the Department of Consumer Affairs.*

*This bill would require a magazine distributor to place clearly and conspicuously the magazine subscription expiration date on renewal notices mailed to its subscribers.*

~~The Vehicle License Fee (VLF) Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state in the amount of 2% of the market value of that vehicle, as specified. The VLF Law offsets this amount by 67.5% for vehicle license fees with a final due date on or after July 1, 2001, and provides for transfers of General Fund moneys to reimburse local governments for revenue losses resulting from vehicle license fee offsets. Existing law further requires that vehicle license fee offsets be reduced during any period in which insufficient~~

~~General Fund moneys are available for transfer to fully fund these offsets.~~

~~This bill would (1) find and declare that insufficient General Fund moneys are available for transfer to fund these offsets in the 2002-03 and 2003-04 fiscal years, (2) prohibit General Fund money from being transferred for this purpose during those fiscal years, and (3) revise existing provisions that provide for such a transfer. By increasing the amount of moneys deposited in the Motor Vehicle License Fee Account, a continuously appropriated special account, this bill would make an appropriation.~~

Vote: majority. Appropriation: ~~yes~~ *no*. Fiscal committee: ~~yes~~ *no*. State-mandated local program: *no*.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1.—Section 10754.3 is added to the Revenue and~~  
2     ~~SECTION 1. Chapter 20.5 (commencing with Section 22475)~~  
3     ~~is added to Division 8 of the Business and Professions Code, to~~  
4     ~~read:~~

5  
6             ~~CHAPTER 20.5. MAGAZINE DISTRIBUTORS~~

7  
8     ~~22475. A magazine distributor, or any person, firm, or~~  
9     ~~corporation representing a magazine distributor shall clearly and~~  
10    ~~conspicuously place the subscription expiration date on all~~  
11    ~~renewal notices mailed to its subscribers.~~

12   ~~Taxation Code, to read:~~

13   ~~10754.3.—(a) The Legislature finds and declares that, for~~  
14   ~~purposes of subparagraph (C) of paragraph (3) of subdivision (a)~~  
15   ~~of Section 10754, insufficient moneys are available for the~~  
16   ~~2002-03 and 2003-04 fiscal years to be transferred from the~~  
17   ~~General Fund to fund the vehicle license fee offsets specified in~~  
18   ~~subparagraph (A) of paragraph (3) of subdivision (a) of that~~  
19   ~~section.~~

20   ~~(b) Notwithstanding any other provision of law, for the~~  
21   ~~2002-03 and 2003-04 fiscal years, no moneys may be transferred~~  
22   ~~from the General Fund to fund the vehicle license fee offsets~~  
23   ~~specified in subparagraph (A) of paragraph (3) of subdivision (a)~~  
24   ~~of Section 10754.~~

1 ~~SEC. 2.—Section 11000 of the Revenue and Taxation Code is~~  
2 ~~amended to read:~~

3 ~~11000.—(a) Beginning on the operative date of Section 9551.2~~  
4 ~~of the Vehicle Code, the Controller shall do both of the following:~~

5 ~~(1) Transfer from the General Fund to the Motor Vehicle~~  
6 ~~License Fee Account in the Transportation Tax Fund an amount~~  
7 ~~equal to 75.67 percent of the amount of offsets that are applied by~~  
8 ~~the department pursuant to Sections 9551.2 and 9554.1 of the~~  
9 ~~Vehicle Code.~~

10 ~~(2) Transfer from the General Fund to the Local Revenue Fund,~~  
11 ~~established pursuant to Section 17600 of the Welfare and~~  
12 ~~Institutions Code, in the Transportation Tax Fund an amount equal~~  
13 ~~to 24.33 percent of the amount of offsets that are applied by the~~  
14 ~~department pursuant to Sections 9551.2 and 9554.1 of the Vehicle~~  
15 ~~Code.~~

16 ~~(b) The department shall notify the Controller of the total~~  
17 ~~amount of the offsets applied by the department pursuant to~~  
18 ~~Section 9551.2 of the Vehicle Code concurrently with the~~  
19 ~~department's transfer for deposit of vehicle license fee revenues as~~  
20 ~~required by law.~~

21 ~~(c) For purposes of Section 15 of Article XI of the California~~  
22 ~~Constitution, the General Fund revenues that are transferred as~~  
23 ~~required by paragraph (1) of subdivision (a) shall constitute~~  
24 ~~successor tax revenues to the vehicle license fees offset in this part~~  
25 ~~and shall be allocated in the same manner as revenue derived from~~  
26 ~~taxes imposed pursuant to this part.~~

27 ~~(d) For purposes of Article 1 (commencing with Section~~  
28 ~~25350) of Chapter 5 of Part 2 of Division 2 of Title 3 of the~~  
29 ~~Government Code, Section 11003, and Chapter 6 (commencing~~  
30 ~~with Section 17600) of Part 5 of Division 9 of the Welfare and~~  
31 ~~Institutions Code, the General Fund transfer amounts specified in~~  
32 ~~paragraphs (1) and (2) of subdivision (a) are hereby deemed to be~~  
33 ~~vehicle license fee proceeds and vehicle license fee revenues.~~  
34 ~~These General Fund transfer amounts are subject to the same~~  
35 ~~pledges, liens and encumbrances, and priorities set forth in Section~~  
36 ~~25350 and following of, Section 53584 and following of, and~~  
37 ~~Section 5450 and following of, the Government Code.~~

38 ~~(e) Nothing in this section amends or intends to amend or~~  
39 ~~impair Section 25350 and following of, Section 53584 and~~

1 following of, the Government Code, or any other statute dealing  
2 with the interception of funds.  
3 (f) This section is inoperative for any fiscal year for which the  
4 law precludes the transfer of moneys from the General Fund to  
5 fund the vehicle license fee offsets specified in subparagraph (A)  
6 of paragraph (3) of subdivision (a) of Section 10754.

